# GOVERNMENT OF INDIA
# CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
# LOK SABHA

UNSTARRED QUESTION NO:4276
ANSWERED ON:28.03.2017
Target for Ethanol Production
Mani Shri Jose K.

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

(a) whether the Government targets on production of ethanol blended fuel are being met, if so, the time by which more fuel outlets will be able to dispense ethanol blended fuel to consumers;
(b) whether the ethanol prices fixed and sugar mills eyeing higher realisation from non-ethanol by-products, molasses and rectified spirit are not helping distilleries that make ethanol for fuel blending, if so, the details thereof; and
(c) with cane output being lower in drought affected States of Maharashtra, Karnataka and Andhra Pradesh resulting in scarcity of molasses for ethanol, whether the Government has drawn any contingency plans for the ethanol blended fuel production, if so, the details thereof?

## Answer

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)
(a): Consequent upon various measures taken by the Central Government, the supply of ethanol for blending with petrol reached 111 crore liters in 2015-16 ethanol season (December, 2015 to November, 2016). In the current season, about 19.5 crore litres of ethanol has so far been supplied to the Oil Marketing Companies (OMCs) by the sugar industry. The Central Government is implementing the Ethanol Blended Petrol Programme (EBP) through OMCs under which, OMCs sell ethanol blended petrol with percentage of ethanol upto 10% as per BIS specification, depending upon its availability.
(b) & (c): The Central government has fixed the ex-mill price of ethanol at Rs 39 / litre for supply under EBP for ethanol year 2016-17. However, due to severe drought in the major sugar producing States viz. Maharashtra, Karnataka and Andhra Pradesh, the availability of sugarcane for crushing has reduced as compared to previous year resulting in less production of molasses and its short supply to distilleries.
The Government is promoting various Research and Development (R&D) Programmes for developing bio-fuel technologies, particularly second generation bio-fuel technologies for production of ethanol from ligno-cellulosic materials. Further, with a view to increase production of ethanol, the Government is also providing soft-loans of upto 40% of the project cost to the sugar mills for setting up ethanol projects under Sugar Development Fund.
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